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Great Britain and Canada Investment Corporation

ANNUAL REPORT

FOR THE YEAR ENDING
MARCH 31ST
1931

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MONTREAL

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Great Britain and Canada
Investment Corporation

ANNUAL REPORT

FOR THE YEAR ENDING

MARCH 31ST

1931

Great Britain and Canada Investment Corporation



OFFICERS

President

A. J. NESBITT, Montreal

Vice-President

P. A. THOMSON, Montreal

Directors

HON. A. O. CRICHTON London, England.
JAMES A. FALCONER London, England.
CARL R. GANTER New York, N.Y.
STEWART KILPATRICK London, England.
CAPT. O. LYTTLETON, D.S.O. London, England.
A. J. NESBITT Montreal, Que.
P. A. THOMSON Montreal, Que.
G. M. TODD Montreal, Que.
JAMES B. WOODYATT Montreal, Que.
ROBERT M. YOUNGS New York, N.Y.

L. C. HASKELL, Secretary.

V. J. NIXON, Assistant Secretary.

F. D. LAMONT, Treasurer.

Auditors

P. S. ROSS & SONS, MONTREAL, QUE.

Great Britain and Canada Investment Corporation



Montreal, May 11th, 1931.

TO THE SHAREHOLDERS:—

Your Directors present herewith the Second Annual Report covering activities of your Corporation for the year ending March 31st, 1931.

Gross Revenue.....	\$557,213.56
LESS:	
Expenses.....	\$ 28,936.30
Interest on Debentures.....	270,000.00
Income Tax.....	34,880.39
	333,816.69
Net Revenue for the year before Income Tax (Taxation Year 1931).....	
	223,396.87
LESS:	
Dividends on 5% Cumulative Preferred Stock.....	200,000.00
	\$23,396.87
Balance of Surplus at credit April 1st, 1930.....	
	115,803.94
Surplus Carried Forward.....	
	\$139,200.81

The Assets of your Corporation consist of Cash on Hand, Call Loans (Secured) and Security Investments made up of Bonds and Preferred and Common Stocks of leading public utility and industrial companies in the following proportions as at March 31st, 1931:

Bonds.....	15.10%
Preferred Stocks.....	23.62%
Bank Stocks.....	2.90%
Common Stocks.....	56.55%
Cash and Call Loans.....	1.83%
	100%

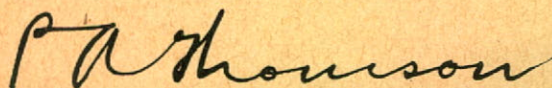
The geographical distribution of your investments at the same date was as follows:

Canada.....	36.89%
United States.....	40.03%
British Empire (Excl. Canada).....	11.19%
Foreign (Excl. U.S.A.).....	11.89%
	100%

During the year your Directors have deemed it advisable to make certain changes in the portfolio of investments, even though that involved taking some losses which have been deducted from Investment Reserve account. The investments have of course depreciated in market value along with the general depreciation in the portfolios of investments of all companies, but your Directors feel that the securities presently held are sound and that the depreciation of approximately 26%, as at the end of the fiscal year, is not excessive in the light of present market conditions.

The books and accounts of your Corporation have been audited by Messrs. P. S. Ross & Sons, Chartered Accountants, whose certificate is attached.

Respectfully submitted on behalf of the Board,



Vice-President.

GREAT BRITAIN AND CANADA

Balance Sheet as

ASSETS

Cash	\$ 55,656.70
Call Loans	150,000.00
Due from Brokers	737.64
Investment Securities (x)	11,098,568.84
Accrued Revenue from Investments	119,697.02
Prepaid Charges	585.55

(x) Note — After taking into consideration the amount at the credit of Investment Reserve, the Market Value of the securities owned by the Corporation at 31st March 1931 showed a depreciation from Book Value of approximately \$2,907,000.00 or 26.19%.

\$11,425,245.75

Approved on behalf of the Board: P. A. THOMSON }
R. M. YOUNGS } Directors.

A INVESTMENT CORPORATION

at March 31st, 1931

LIABILITIES

Accounts Payable and Accrued Expenses	\$ 20,836.88
Due to Brokers	91,903.42
INVESTMENT RESERVE	
(Net Profits from the Sale of Investments to date)	173,304.64
DEBENTURES OUTSTANDING	
4½% Thirty-Year, due 1st April 1959	6,000,000.00
CAPITAL STOCK	
PREFERRED—5% Cumulative Convertible.	
Authorized and Issued—40,000 shares of \$100.00 each	4,000,000.00
COMMON—No Par Value.	
Authorized—550,000 shares (of which 200,000 are held in Treasury for the conversion of Debentures and Preferred Stock)	
Issued and Outstanding—350,000 shares	1,000,000.00
(of which 100,000 are held in Escrow to cover Warrants issued with Debentures and Preferred Stock)	
SURPLUS	
(Subject to Dominion Income Tax—1931 Taxation Year)	139,200.81
	<u>\$11,425,245.75</u>

AUDITORS' CERTIFICATE

To the Shareholders,

GREAT BRITAIN AND CANADA INVESTMENT CORPORATION,
Montreal.

We have audited the books of Great Britain and Canada Investment Corporation for the year ended 31st March 1931, and we have obtained all the information and explanations which we have required.

We certify that, in our opinion, the attached Balance Sheet and Profit and Loss and Surplus Statement correctly set forth the financial position of the Corporation at 31st March 1931, and the results from its operations for the year ended that date, according to the best of our information, the explanations given to us, and as shown by the books of the Corporation.

(Signed) P. S. Ross & Sons,

MONTREAL, QUE., 29th April, 1931.

Chartered Accountants.

Great Britain and Canada Investment Corporation



Statement of Profit and Loss and Surplus

For the Year Ended 31st March, 1931

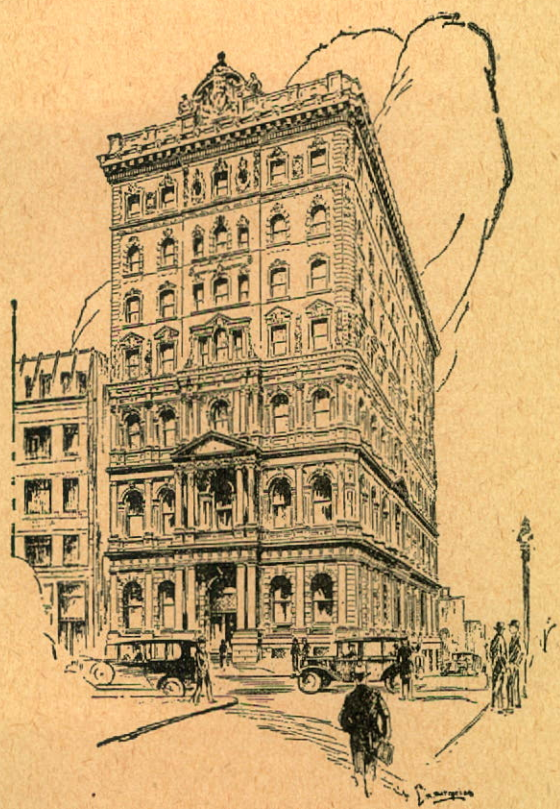


Revenue from Investments	\$512,700.65	
Revenue from Stock Dividends sold	34,791.33	
Revenue from Interest Earned	9,721.58	
		\$557,213.56
DEDUCT: Management Expenses—actual—as defined in By-law XVI	13,463.10	
Other Expenses	4,919.21	
Interest on 4½% Convertible Debentures	270,000.00	
Other Interest	10,553.99	298,936.30
Net Revenue before Income Tax		258,277.26
DEDUCT: Income Tax (1930 Taxation Year)		34,880.39
Net Revenue for the Year		223,396.87
ADD: Balance of Surplus at Credit, 1st April, 1930		115,803.94
		339,200.81
DEDUCT: Dividends on 5% Cumulative Preferred Stock		200,000.00
Surplus carried forward (subject to Dominion Income Tax—1931 Taxation Year)		\$139,200.81

Audited and Certified, in accordance with our attached Certificate.

Montreal, 29th April, 1931.

P. S. Ross & Sons,
Chartered Accountants.



Head Office:
GREAT BRITAIN AND CANADA INVESTMENT CORPORATION
355 St. James Street West
MONTREAL

